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E.O. 12356:DECL:DADR
TAGS: PREL, CH
SUBJ: JACKSON'S MEETING WITH GENERAL WU XIUQUAN
1. CONFIDENTIAL - ENTIRE TEXT.

1. CONFIDENTIAL - ENTIRE TEXT. AT AN AUGUST 17 MEETING BETWEEN SENATOR SLIMMARY: JACKSON AND GENERAL WU XIUQUAN, HEAD OF THE BEIJING INSTITUTE OF INTERNATIONAL STRATEGIC STUDIES, WU NOTED THE GRADUAL IMPROVEMENT IN SINO-AMERICAN RELATIONS SINCE THE BALDRIDGE VISIT. HE LINKED THE WEINBERGER VISIT TO TECHNOLOGY TRANSFER ISSUES, BUT REFUSED TO BE SPECIFIC ABOUT ITEMS OF POSSIBLE INTEREST TO THE CHINESE. HE WAS BLUNT IN STATING CHINA'S POSITION THAT THERE MUST BE A DOLLAR REDUCTION IN ARMS SALES TO TAIWAN. ON SIND-SOVIET RELATIONS, HE GAVE SOME DETAILS OF HISTORICAL KNTEREST REGARDING THE ORIGINS OF THE SINO-SOVIET SPLIT: IN THE CURRENT ROUND OF NEGOTIATIONS, HOWEVER, HE CLAIMED THE SOVIETS ARE STILL NOT WILLING TO PAY FOR AN IMPROVEMENT IN RELATIONS. THE FOLLOWING REPORT ON SENATOR JACKSON'S MEETING WITH WU XIUQUAN (WHICH HAS NOT BEEN CLEARED BY SENATOR JACKSON), IS BEING SENT LIMDIS AT HIS REQUEST. 4. OVERALL AT SENATOR JACKSON'S STRATEGIC SITUATION: REQUEST, GENERAL WU COMMENTED ON CHANGES IN THE WORLD SITUATION SINCE HE AND THE SENATOR HAD MET IN 1979. WU SAID AFRICA, THE MIDDLE EAST, AND LATIN AMERICA HAD ALL BECOME MORE COMPLICATED. FOUR YEARS AGO THERE WAS NO IRAN-IRAQ WAR, AND THE SOVIETS HAD NOT INVADED AFGHANISTAN. FOUR YEAR AGO, SIND-SOVIET RELATIONS WERE "AOGDIADEAL WORSE" (GENG LIHAI YIDIAN). MOREOVER, CHINA'S FOREIGN POLICY HAS UNDERGONE CHANGE -- IT IS NOW A COMPLETELY INDEPENDENT FOREIGN POLICY. 5. WU COMMENTED THAT HE AND JACKSON WERE MEETING ON THE FIRST ANNIVERSARY OF THE AUGUST 17 COMMUNIQUE, AND THAT SINCE THE BALDRIDGE VISIT THERE (AVE BEEN INDICA-TIONS OF GRADUAL GROWTH IN SINO-AMERICAN RELATIONS. HE SAID BLUNTLY THAT IF THERE WERE NO PROSPECTS FOR IMPROVEMENT IN RELATIONS, JACKSON WOULD NOT BE IN BEIJING.

6. WEINBERGER VISIT: WU LINKED THE WEINBERGER VISIT TO THE TECHNOLOGY TRANSFER ISSUE. HE SAID THAT PRESIDENT REAGAN HAS MADE HIS DECISION WITH REGARD TO

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TECHNOLOGY TRANSFER, BUT WHEN WEINBERGER IS IN BEIJING

CONSULTATIONS ON STRATEGIC MATTERS.

THE CHINESE SIDE HOPES TO SETTLE QUESTIONS TO SOME EXTENT. WU SAID HALF-JOKINGLY THAT HE HOPED WEINBERGER "WOULD HAVE A THICK POCKETBOOK," BUT WHEN SENATOR JACKSON QUERIED WHETHER THIS MEANT THE CHINESE HAD ANYTHING SPECIFIC THEY WANTED TO DISCUSS WITH WEINBERGER, WU REPLIED THAT THE CHINESE WERE STILL CONSIDERING THEIR POSITION, AND THAT THEY WOULD ADOPT A PRACTICAL ATTITUDE. CHINA WOULD NOT SET EXCESSIVELY HIGH OR EXCESSIVELY LOW GOALS, BUT WOULD CONSIDER CHINA'S POSSIBILITY TO ABSORB TECHNOLOGY AND ALSO TAKE INTO ACCOUNT WHAT THE US CAN PROVIDE. THROUGHOUT THE CONVERSATION, WU REFUSED TO BE DRAWN INTO DISCUSSION OF ANY SPECIFIC ITEM OR WEAPONS SYSTEM OF POSSIBLE INTEREST TO CHINA. HE DID STRESS THAT IT WAS ABSOLUTELY NECESSARY TO HAVE MORE FREQUENT

ARMS SALES TO TAIWAN: WU NOTED THAT PRESIDENT REAGAN HAS ALREADY MADE THE DECISION TO REDUCE, IN QUANTITY AND QUALITY, THE "RMS BEING SOL, TO TAIWAN. HE ADDED THAT CHINA HOPED THE PACE WILL BE QUICKER, AND REFLECTED IN TERMS OF US DOLLARS. US GOVERNMENT AND ECONOMIC CIRCLES HAD SAID THAT THE US SHOULD TAKE INFLATION INTO ACCOUNT, ACCORDING TO WU, BUT HE WARNED THAT IF THERE IS NO SIGN OF REDUCTION IN TERMS OF US DOLLARS THIS WOULD RAISE OBSTACLES IN SINO-AMERICAN RELATIONS.

8. SINO-SOVIET RELATIONS -- HISTORICAL BACKGROUND: JACKSON ASKED ABOUT THE REASONS FOR THE SINO-SOVIET SPLIT IN 196U, MENTIONING SPECIFICALLY THE TRANSFER OF NUCLEAR TECHNOLOGY AND SOVIET DEMANDS FOR JOINT COMMAND OVER CHINA'S ARMED FORCES. (WU CONFIRMED THAT BOTH OF THESE HAD BEEN FACTORS, AND ADDED THAT THE SOVIETS HAD EVEN WANTED JOINT COMMAND OVER RADIO STATIONS. JACKSON RECALLED THAT IN 1959 HE HAD SEEN KHRUSHCHEV OFF FROM WASHINGTON;

WU REPLIED THAT HE HAD MET HIM IN BEIJING. THAT MEETING OSTENSIBLY TO COMMEMORATE THE 10TH ANNIVERSARY OF THE PRC'S FOUNDING, WAS A

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SUBJ: JACKSON'S MEETING WITH GENERAL WU XIUQUAN VERY UNPLEASANT ONE. IT HAD GONE SO BADLY, IN FACT, THAT MAD HAD INTENTIONALLY ABSENTED HIMSELF FROM A BANQUET IN KHRUSHCHEV'S HONOR IN ORDER TO DEMONSTRATE THE PRC'S DISSATISFACTION.

9. SINO-SOVIET RELATIONS -- THE CURRENT ROUND: WU SAID THAT HE HAD ATTENDED MOST OF THE BEIJING SESSIONS HELD BETWEEN THE TWO DELEGATIONS, AND IMPLIED THAT HE WOULD CONTINUE ACTIVE INVOLVEMENT. AT THE MOST RECENT ROUND, CHINA HAD REITERATED ITS POSITION ON THE "THREE OBSTACLES" (AFGHANISTAN, KAMPUCHEA, AND TROOPS ALONG THE SINO-SOVIET BORDER, INCLUDING FIVE SOVIET DIVISIONS IN MONGOLIA). WU SAID CHINA IS NOT DEMANDING THAT THERE BE MOVEMENT ON ALL THREE ISSUES AT THE SAME TIME; MOVEMENT ON ONE WOULD BE ENOUGH AND THIS SHOULD BE KAMPUCHEA. UP TO THE PRESENT, HOWEVER, THE SOVIETS HAD GIVEN NO INDICATION OF WILLINGNESS TO MOVE ON ANY OF THEM. 10. THERE HAD, SAID WU, BEEN TWO CHANGES IN THE LAST ROUND. FIRST, THE SOVIET ATTITUDE DURING THE TALKS HAD BEEN CALM; THIS IS A MAJOR CHANGE. ADDED THAT CHINA HAS ALSO LOWERED ITS VOICE. SECOND, BOTH SIDES AGREED THAT EVEN IN THE ABSENCE OF A SETTLEMENT, THERE COULD BE IMPROVEMENT ON OTHER PERIPHERAL ISSUES. WU SAID THE CHINESE ASSESSMENT IS THAT THE SOVIETS WANT TO IMPROVE RELATIONS, BUT THEY ARE NOT YET READY TO PAY FOR IT. THE CHINESE

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THEREFORE KEEP TELLING THE SOVIETS THAT IF THEY ARE UNWILLING TO PAY, THERE CAN ONLY BE A PARTIAL IMPROVEMENT, NOT A NORMALIZATION OF RELATIONS. 11. CHINESE ASSESSMENT OR SOVIET STRATEGIC PLANNING: JACKSON ASKED FOR WU'S ASSESSMENT OF CHINA'S POSITION ALONG THE BORDER AREA. WU REPLIED THAT CHINA ADOPTS A DEFENSIVE STRATEGY, SO THAT AN INVADING FORCE REQUIRES MANY MORE TROOPS THAN THE DEFENDERS. JACKSON ASKED WHAT RATIO THE SOVIETS WOULD SEEK IN A CLASH AND WU REPLIED THAT THEY WOULD HAVE ABOUT 5 TO 1 AGAINST CHINA. WU ADDED THAT CHINA HAS A LOT OF ROOM TO MANEUVER, MUCH MORE THAN NATO FORCES IN EUROPE. JACKSON NOTED THAT NATO HAS ANTI-TANK WEAPONS, AND ASKED WHETHER THE CHINESE WERE INTERESTED IN THESE. WU STUCK TO HIS EARLIER POSITION, AND REFUSED TO BE DRAWN OUT ON THIS ISSUE. HUMMEL CONFIDENTIAL END OF MESSAGE

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